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45502 7590 12/13/2007 DILLON & YUDELL LLP 8911 N. CAPITAL OF TEXAS HWY., SUITE 2110 AUSTIN, TX 78759			EXAMINER FELTEN, DANIEL S	
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**BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES**

Application Number: 09/466,438
Filing Date: December 17, 1999
Appellant(s): BERSTIS, VIKTORS

MAILED

DEC 13 2007

GROUP 3600

Brian F. Russell
(Reg No. 40,796)
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed August 13, 2007 appealing from the Office action
mailed March 14, 2007

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

A statement of related appeals, interferences, and judicial proceedings known to the examiner which may be related to, directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal appears in the applicant's Supplemental Appeal Brief filed August 13, 2007.

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

6,108,642	FINDLEY	8-2000
6,496,936	FRENCH et al	12-2002
5,311,594	PENZIAS	5-1994

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-4, 6, 8-9, 13-17, 18-21, 23 & 25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Findley in view of French et al.

Findley teaches a system for selectively blocking a current remote purchase request based on information gained from at least a previous remote purchase request. In particular, the device of Findley includes: (1) a first data input subsystem capable of receiving purchase request information sets including a credit card number, merchandise descriptions and origin (prompting user with Options for selecting goods and/or services during a current transaction); (2) a memory subsystem that receives the information set from previous and current purchase requests (storing

selections of goods and/or services made by an authorized user during a previous transaction); (3) a logic subsystem that compares the purchase request record of the current purchase request with the purchase request record of the previous purchase request (comparing the options for goods and/or services selected by the user with the user's pre-stored selections of goods and/or services); and that automatically blocks the current remote purchase if the comparison meets any one of a predetermined set of criteria (reference Abstract).

Examiner notes that in order for memory sub-system of Findley to receive an information set containing previous remote purchase information, the sub-system must store the selections made by a user of goods and/or services. As such, Examiner asserts that generating a user profile of selections of goods and/or services made by a user during past transactions is inherent and necessarily present to the system of Findley, because without such a profile the system would be unable to retrieve that information.

Findley teaches computing "history factors" for credit card numbers so that an algorithm can take into account the legitimate purchase history of the credit card. Findley goes on to teach in a preferred embodiment, that a purchase request from a credit card number that has been used to make legitimate purchases from a merchant in the past is less likely to be fraudulent than a card being encountered for the first time (column 3; lines 50-57). In other words, if the current merchant is inconsistent with the user's Pre-stored profile of past merchants the system blocks the transaction.

Examiner notes that this teaching is important for two reasons. First it illustrates that historical data can be and is taken from a plurality of facilities/merchants (Claims 3 and 20).

Secondly, it illustrates that the system and method of Findley is designed to encourage and protect repetitive and consistent purchases. Examiner notes that while Findley teaches many criteria for detecting fraud, this example illustrates that Findley recognizes, teaches and uses inconsistency (same as Appellant) as one of those ways. In addition, Examiner notes that because Findley also teaches other criteria for detecting fraud that differ from Appellant's invention, that does not mean Findley doesn't also teach Appellant's method. Finally, Examiner asserts that teaching a method of detecting fraud by looking for consistency (i.e. someone buying 100 stereo receivers) does not inherently exclude the same system from also checking for inconsistency (i.e. a new supplier, a different brand or grade of gas, etc.).

Findley goes on to teach in another embodiment that an inquiry is made into whether or not an item in the same merchant-defined merchandise category had been purchased within the previous set time period (column 4; lines 49-53). Examiner notes that this teaching by Findley is also important for two reasons. First, it illustrates that while the system of Findley starts by grouping items according to merchandise category, it also must make a comparison on an item-by-item level. This concept is supported by Findley in the example of a ring of thieves attempting to steal handbags of a *particular make* (emphasis added) (column 4; lines 49-61). In order to determine the particular make, the system must make the comparison on an item-by-item basis and not just based on the merchandise category (i.e. handbag or accessory).

Secondly this teaching illustrates that the system of Findley must collect and save item specific information about a users purchase. Examiner notes that without item specific

information the system of Findley would be unable to perform the inquiry described above. As such, collecting and storing a profile of selections of goods and services is inherent and necessarily present to the teachings of Findley as there would be no other way to determine a particular make (this is similar to a particular grade of gas).

Examiner recognizes that specific embodiment of the item-by-item comparison of Findley relates to quantity. In particular, the system compares how many of a specific item have been purchased in the past, thus blocking the purchase based on too much consistency, rather than any inconsistency. However, Examiner once again points out that Findley also teaches an embodiment in which the system searches for inconsistencies associated with merchants (i.e. comparing the current merchant with a pre-stored profile of past merchants and blocking the transaction if the current merchant is inconsistent with the pre-stored profile).

Therefore, Examiner notes that neither embodiment limits the scope of the system of Findley but rather serve as examples of the type of conditions within the predetermined criteria used by the logic subsystem of Findley.

The system of Findley fails to specifically teach a system that requires a user to answer, correctly, multiple security-related questions if the options for goods and/or services by the user are inconsistent with a user's pre-stored selection of goods and/or services.

French et al. teaches a method of authenticating via an authentication process which "may invoke association check 24 to evaluate whether the request under consideration is associated with other requests or attempts, whether recent, concurrent or otherwise. The purpose

of the association checks is to filter requests suspected to be fraudulent or part of an attack of some kind." (see column 6, lines 46-53).

French et al. goes on to teach on column 6, line 58 through column 7, line 5:

"In a preferred embodiment, authentication process 10 stores information received through all requests in the authorization database 152, which stores transaction record 112 logging all input received from the user. Using this information, association checks based upon available data are facilitated. For example, if one attempt at access includes a name and an associated social security number, a concurrent or later request with the same name but a different social security number may be denied or flagged for further authentication.

Conversely, if the later request includes a different name but the previously submitted social security number, the request may also be denied or flagged for further authentication. Association checks can examine any data provided by the user before or during the preprocessing step 26."

Examiner notes that the passages relied upon by French et al. clearly teaches checking a user's options with pre-stored information and if the check is inconsistent the system requires further authentication. Examiner notes that the further authentication of French et al.

includes requiring the user to answer a security-related question (see for example column 3, lines 18-22).

It would have been obvious to one of ordinary skill in the art at the time of the present invention to modify the teachings of Findley to require a user to answer, correctly, multiple security-related questions if the options for goods and/or services by the user are inconsistent with a user's prestored selection of goods and/or services as taught by French. One of ordinary skill in the art would have been motivated to make such a modification in order to filter requests suspected to be fraudulent or part of an attack of some kind." (see French column 6, lines 46-53).

Claims 5, 10 and 22 are rejected under 35 U.S.C. 103(a) as being unpatentable over Findley in view of French et al. in further view of Penzias. The system of Findley in view of French et al., as described above does not teach a system that stores selections made with a plurality of credit or debit cards. Penzias teaches a system of providing an individual protection for remote purchases; in particular the system applies to multiple cards with different account numbers (Figure 5, shows the account table which holds information for a plurality of credit cards). Since most people today have more than one credit card, when a wallet is stolen or misplaced a thief has access to all of a victims credit and debit cards.

It would have been obvious to a person of ordinary skill in the art at the time the invention was made to modify the memory subsystem of Findley to receive information sets on previous and current purchases made by a user from a plurality of credit cards, as taught by Penzias in order to provide protection and security for all of a customer's credit and debit cards.

(10) Response to Argument

The appellant's invention, as submitted on page 1 of the specification, relates to a system and method for automatically authorizing a remote point of purchase action at a facility which permits such actions. The system prompts the user with security related responses that deviate from the users typical selections."

Related to the appellant's endeavor, Findley discloses a computer system adapted to *selectively* block a current remote purchase request based upon information gained from at least a previous remote purchase requests (see column 2, lines 25-40; and column 4, lines 49-61). Particularly, Findley, like the appellant's invention, discloses comparing purchase request

(appellant calls goods and services), to sets of information previously stored in a memory (see Findley, column 3, lines 27-48). It is respectfully submitted that Findley's purchase requests consists of goods and services. Like the appellant's invention, Findley also implies the fact a purchase history is compiled based upon history factors for tracking purchasing origins and preferences (see column 3, lines 50+). The appellant asserts that *"the combination of Findley and French fails to teach, suggest or motivate the step of requiring the user to answer a security-related question if the options for goods and/or services selected by the user are inconsistent with the user's pre-stored selections of goods and/or services."* It is respectfully submitted that, under 35 USC 103 (a) a patent can be denied *if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains."* The appellant asserts that determining whether a name and social security number match each other does not teach or suggest comparing a selection of goods and services with a user's pre-stored selection of goods and services to prompt a security related question.

It is respectfully submitted that the appellant has taken a narrow interpretation of the references rather than the claim language, which is a reversal of roles whereby the claims must be given their broadest reasonable interpretation in light of the specification. In this case, it was previously pointed out that French et al was being used to support the suggestion in the prior art of checking for *inconsistency* of input information when it is compared to pre-stored information within an authorization database. French was also being used support the notion that French requires further authentication when an inconsistency is found (see French column 6, lines 46-

53). It is being asserted that the combination of Findley and French is consistent with the advantages purported by the appellants (see Appellant's specification, page 11, lines 25+). Again, it is respectfully submitted that the motivation to combine Findley and French et al is implied in the teaching of Findley whereby a thief will have different tastes and seek to purchase from different merchants to whom the stolen card number and thief's origin will be new (see Findley column 3, lines 58-64). The idea is that a thief having "different tastes," and using "different merchants" implies different goods and services that the thief will purchase that are inconsistent with what the legitimate card owner would purchase. For example, a thief using a card may purchase big ticket items, say. Thus the examiner asserts that Findley in combination with French et al, like the Appellant's invention, suggests that it would be obvious for Findley to use the authentication process of French et al to monitor and track fraudulent purchasing behavior that would deviate from the consistent purchasing pattern of a legitimate card holder.

Furthermore, the examiner asserts that the inconsistent purchase of goods and services would be one of the expected criteria that Findley in view of French et al would have sought to include within Findley's "history factors" so as to provide more accurate purchase request information based upon the differing "tastes" of fraudulent users.

In further regards to Penzias, Penzias was provided to teach individual security of remote purchases for a plurality of credit/debit cards. In particular the system applies to multiple cards with different account numbers. Again, it would have been obvious to an artisan of ordinary skill in the art at the time of Findley in view of French et al to modify the subsystem memory of Findley to receive various sets of information on previous and current purchases made by a user

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from a plurality of credit cards, as taught by Penzias in order to provide protection and security from fraudulent uses/purchases.

(11) Related Proceeding(s) Appendix

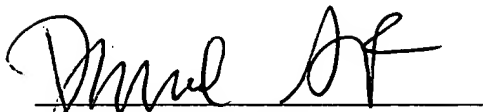
No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

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For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

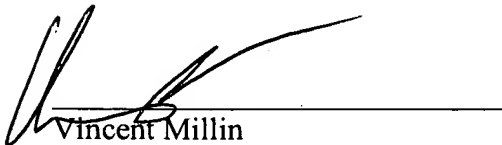


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